

# Legislative Fiscal Bureau

## Fiscal Note

---

HF 644 – Commercial Manure Applicators (LSB 3027 HV)

Analyst: Debra Kozel (Phone: (515) 281-6767) (deb.kozel@legis.state.ia.us)

Fiscal Note Version — New

---

### **Description**

House File 644 provides several changes to the Department of Natural Resources, including but not limited to the following:

- Creates new subsections to Chapter 459, Code of Iowa, regarding the certification and licensing of commercial manure applicators.
- Distinguishes the difference between a Commercial Manure Service and a representative of the Commercial Manure Service. Requires both to complete an annual certification process and obtain a license, but specifies the fee cannot be more than \$200 for the Commercial Manure Service and not more than \$75 for the representative.
- Specifies the process for suspending or revoking a Commercial Manure Service license or a representative's license.
- Specifies the Department of Natural Resources to administer the continuing education program but allows them to select persons outside of the Department to teach the courses or administer the exam.
- Requires the Department to establish a Commercial Manure Service Peer Review Panel to assist the Department with enforcement, procedures, and fee assessment.

### **Assumptions**

1. There will be additional funds available from FY 2003, as current law requires commercial manure applicators to pay an annual fee of \$200. Assumes the carry forward balance is \$120,000. If the carry forward balance is less than \$120,000 for FY 2004, there will not be enough revenue to cover the training costs in FY 2006.
2. There will be 150 Commercial Manure Service businesses that will pay an annual fee of \$200 each year for a total of \$30,000.
3. There will be 650 Commercial Manure Service representatives that will pay an annual fee of \$75 for a total of \$49,000.
4. There will be 1,400 confinement applicators that pay a \$100 fee every three years. Approximately 1,000 applicators will pay the first year for a total of \$100,000 in FY 2004, 300 will pay the second year for a total of \$30,000 in FY 2005, and 100 will pay the third year for a total of \$10,000 in FY 2006.
5. The estimated cost for the Department of Natural Resources to administer the Program is \$20,000 per year and \$5,000 per year for field office testing.
6. The estimated cost for training is \$137,000 for FY 2004, \$140,000 for FY 2005, and \$143,000 for FY 2006.

### **Fiscal Impact**

The annual fiscal impact of HF 644 is an increase in revenue ranging between \$93,000 and \$177,000 to the Department of Natural Resources for FY 2004 and subsequent years. The Department will use the revenue to administer the Commercial Manure Operator and Confinement Applicator Certification Program. The breakdown of the estimated revenue and expenditures is as follows:

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>
<b>Revenue:</b>			
Carry Forward Balance	\$ 120,000	\$ 137,000	\$ 81,000
Commercial Manure Service	30,000	30,000	30,000
Commercial Manure Service Representative	49,000	49,000	49,000
Confinement Applicators	100,000	30,000	10,000
<b>Total Revenue</b>	<u>\$ 299,000</u>	<u>\$ 246,000</u>	<u>\$ 170,000</u>
<b>Expenditures:</b>			
Central Office Administration	\$ 20,000	\$ 20,000	\$ 20,000
Field Office Testing	5,000	5,000	5,000
Outside Training	137,000	140,000	143,000
<b>Total Expenditures</b>	<u>\$ 162,000</u>	<u>\$ 165,000</u>	<u>\$ 168,000</u>
<b>Carry Forward Balance</b>	<u>\$ 137,000</u>	<u>\$ 81,000</u>	<u>\$ 2,000</u>

### **Source**

Department of Natural Resources

\_\_\_\_\_  
/s/ Dennis C Prouty

March 26, 2003

---

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

---